

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Edison Company (E 338-E) for Authority to Institute a Rate Stabilization Plan with a Rate Increase and End of Rate Freeze Tariffs.	Application 00-11-038 (Filed November 16, 2000)
Emergency Application of Pacific Gas and Electric Company to Adopt a Rate Stabilization Plan. (U 39 E)	Application 00-11-056 (Filed November 22, 2000)
Petition of THE UTILITY REFORM NETWORK for Modification of Resolution E-3527.	Application 00-10-028 (Filed October 17, 2000)

**ASSIGNED COMMISSIONER'S RULING  
REGARDING PROPOSED MODIFICATION TO  
DECISIONS 01-01-018 AND 01-03-082  
ON USE OF SURCHARGES**

**1. Summary**

This Ruling provides an opportunity for parties to comment on a proposed modification to Decision (D.) 01-01-018 and D.01-03-082. Comments shall be filed and served within 11 days of today, and reply comments filed and served within 5 days thereafter. Motions for hearing, if any, and motions for party status, if any, must be filed and served as provided herein.

**2. Discussion**

Electricity rates for Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE) were adjusted in early 2001. In particular, the Commission adopted surcharges for each company of \$0.01/kWh and \$0.03/kWh, and limited application of surcharge revenues to "ongoing

procurement costs” and “future power purchases.” (D.01-01-018, Ordering Paragraphs 1 and 2; D.01-03-082, Ordering Paragraphs 1 and 2.)

The restrictions were adopted pursuant to Commission interpretation and implementation of the rate freeze provisions of Assembly Bill (AB) 1890. Subsequent legislation, however, has materially affected the implementation of AB 1890. The Commission is currently engaged in further proceedings to address the impact of this subsequent legislation “on the AB 1890 rate freeze paradigm...” (D.02-01-001, page 25.)

To the extent this legislation, including AB 1X and AB 6X, materially changes implementation of AB 1890, it may be appropriate to lift restrictions placed on the use of surcharge revenues. One potentially just and reasonable use of surcharge revenues, for example, might be for any purpose necessary to restore financial health to PG&E and SCE.

Parties should comment on this possible modification to D.01-01-018 and D.01-03-082. Parties may also comment on any other use or uses of the surcharges and surcharge revenues.

### **3. Schedule and Procedures**

Opening comments shall be filed and served no later than 11 days from the date of this ruling. Reply comments shall be filed and served no later than 5 days after the filing of opening comments.

If a party believes hearing is necessary, the party may file and serve a motion for hearing within 3 days of the date reply comments are filed and served. Motions shall state (1) the specific item or issue stated in comments or reply comments (including citation) for which hearing is sought (e.g., disputed issue of material fact), (2) justification for hearing (e.g., why the disputed fact is material), (3) what the moving party would seek to demonstrate through

hearing, (4) the evidence the party would seek to introduce at hearing, (5) a proposed schedule, and (6) anything else necessary for the purpose of making an informed ruling on the motion. Responses to any such motion shall be filed and served within 2 days of the date the motion is filed and served. If motion for hearing is made and granted, the party who offered the statement in comments or reply comments that is the subject of the hearing shall produce a witness to testify in support of the statement, and be subject to cross-examination.

This ruling will be served on the service lists for:

1. Application (A). 00-11-038 et al. (rate stabilization and rehearing on end of the rate freeze)
2. A.02-02-024 (rehearing of Resolution E-3765 regarding the Procurement Related Obligations Account (PROACT) of SCE)
3. Case 02-02-027 (Ahern et al v. PG&E)
4. Investigation (I.) 02-04-026 (ratemaking implications of PG&E plans of reorganization)
5. A.02-05-022 et al. (cost of capital proceedings)

A person or party in any proceeding other than A.00-11-038 et al. who desires to participate in the issues presented in this ruling but who is not a party in A.00-11-038 et al. must file and serve a motion for appearance (party) status in A.00-11-038 et al. The motion shall state the person's name, address, telephone number, fax number, e-mail address, and whether the person has previously appeared before the Commission. The motion shall also state for whom the person is appearing, the person or party's interest, whether or not the person or party intends to actively participate, and how the person or party intends to participate. Responses to motions for appearance (party) status may be filed and

served, and shall be filed and served no later than 3 days after the motion for appearance status is filed.

State employees and persons who simply want to monitor the proceeding may notify the Process Office by letter or electronic mail of their interest in being included on the service list for state service or information only. Any person interested in participating but unfamiliar with the Commission's procedures should contact the Commission's Public Advisor in Los Angeles (telephone: 213-897-3544) or San Francisco (telephone: 415-703-2074).

Previously established protocols for filing and service shall apply.<sup>1</sup> That is, paper copies must be filed with the Commission's Docket Office. A paper copy must be served on each party and state service participant who does not have an electronic mail address.<sup>2</sup> A paper copy must also be served on Administrative Law Judge Mattson and me. An electronic copy must be served on each party and state service participant with an electronic mail address. Electronic copies must also be served on those in the information only category.<sup>3</sup> Electronic mail addresses are available on the Commission's web page.<sup>4</sup>

---

<sup>1</sup> See, for example, Rulings dated April 11, 2001; April 27, 2001; June 28, 2001; September 18, 2001; December 21, 2001; and May 7, 2002.

<sup>2</sup> Of the 137 on the current service list in the appearance (party) category, only three do not have an electronic mail address. Of the 49 currently in the state service (non-party) category, all have an electronic mail address.

<sup>3</sup> Four out of 104 participants currently in the information only (non-party) category do not have an electronic mail address. Parties may, but are not required, to serve a paper copy on these four information only participants.

<sup>4</sup> See, for example, service list for A.00-11-038, comma-delimited file, Column D.

**IT IS RULED** that:

1. The Commission is considering whether or not to modify Decision (D.) 01-01-018 and D.01-03-082. Such modification potentially includes removing the current restriction on application of surcharge revenues to “ongoing procurement costs” and “future power purchases.” Parties may file and serve opening and reply comments. Opening comments shall be filed and served no later than 11 days from the date of this Ruling. Reply comments shall be filed and served no later than 5 days after the date opening comments are filed.

2. A motion for evidentiary hearing, if any, shall be filed and served within 3 days of the date reply comments are filed, and shall contain the information stated in the body of the Ruling. Responses to such motion shall be filed and served within 2 days of the date such motion is filed.

3. This ruling shall be served on the service lists for the following proceeding: Application (A). 00-11-038 et al., A.02-02-024, Case 02-02-027, Investigation 02-04-026, and A.02-05-022 et al. Any person not on the service list for A.00-11-038 who wishes to be on that list as an appearance (party) shall file and serve a motion containing the information stated in the body of this ruling. Responses to such motion shall be filed and served within 3 days of the date the motion is filed. Persons may be entered into the state service or information only portions of the service list by notifying Process Office.

4. Previously established electronic service protocols shall apply. Paper copies shall be filed with the Docket Office, served on each party and state service participant who does not have an electronic mail address, and served on Administrative Law Judge Mattson and me. Electronic copies shall be served on all participants who have an electronic mail address including parties, state service participants, and information only participants.

Dated July 1, 2002, at San Francisco, California.

/s/ LORETTA M. LYNCH

Loretta M. Lynch  
Assigned Commissioner

**CERTIFICATE OF SERVICE**

I certify that I have by mail this day served a true copy of the original attached Assigned Commissioner's Ruling Regarding Proposed Modification to Decisions 01-01-018 and 01-03-082 On Use of Surcharges on all parties of record in this proceeding or their attorneys of record, and all parties of record or their attorneys of record in Application 02-02-024, Case 02-02-027, Investigation 02-04-026, and Application 02-05-022 et al.

Dated July 1, 2002 at San Francisco, California.

/s/ KRIS KELLER

Kris Keller

**N O T I C E**

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

\*\*\*\*\*

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

A.00-11-038 et al. LYN/k47

(415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.